

BY adding to

Article 48A - Insurance Code  
Section ~~[[553(e)]]~~ 553(d)  
Annotated Code of Maryland  
(1972 Replacement Volume and 1975 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Sections 550(c) and 555 of Article 48A - Insurance Code, of the Annotated Code of Maryland (1972 Replacement Volume and 1975 Supplement) be and they are hereby repealed and reenacted, with amendments, to read as follows:

Article 48A - Insurance Code

550.

(c) The Society is a member of the joint insurance association AND THE MARYLAND INSURANCE GUARANTY ASSOCIATION.

555.

In applying the provisions of § 242 of the Insurance Code (Article 48A) dealing with rates and rate filings, the Commissioner shall permit an [initial] ~~[[ANNUAL]]~~ INITIAL premium not in excess of 130% of the rate that would otherwise be applicable if the terms of the rate filing are such that any portion of the collected premiums that are ultimately determined as having been in excess of the Society's costs shall be returned on a nondiscriminatory basis to the policyholders of the Society.

SECTION 2. AND BE IT FURTHER ENACTED, That Section 553(d) of Article 48A-Insurance Code, of the Annotated Code of Maryland (1972 Replacement Volume and 1975 Supplement) be and it is hereby repealed.

553.

[(d) Each policyholder member shall be liable for one assessment, which shall be that portion of one annual premium determined by multiplying one annual premium by the percentage of funds contained in the Stabilization Reserve Fund compared to five million dollars. Upon the Commissioner's approval, the assessable liability of the member policyholders in excess of 5% of one year's annual premium may be extinguished.]

SECTION ~~[[2.]]~~ 3. AND BE IT FURTHER ENACTED, That new Section ~~[[553(e)]]~~ 553(d) be and it is hereby added to Article 48A - Insurance Code, of the Annotated Code of Maryland (1972 Replacement Volume and 1975 Supplement) to read as follows: